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Quick Look:

This document includes:

Background Information,
Quick Facts, Frequently
Asked Questions and
Additional Resources
about House Bills 5005
and 5007 sponsored by
the House Economic
Affairs Committee chaired
by Representative Hukill.

Concerned about unlawful business practices?

Call **1-800-HELP-FLA**to report a consumer
complaint to the
Department of Agriculture
and Consumer Services

Call **1-866-532-1440** to report unlicensed activity to the Department of Business and Professional Regulation

OPI Pulse: Business Deregulation, HBs 5005 & 5007

Background

The purpose of business regulation in Florida is to protect the health, safety and welfare of the public, as well as facilitate the orderly conduct of commerce. Over two hundred industries are presently regulated by the state. Regulation in Florida entails both licensing and registering various industries, businesses and professionals. Whether a business or professional is registered or licensed is determined in state statute.

The Department of Business and Professional Regulation (DBPR) and the Department of Agriculture and Consumer Services (DACS) are two of the state agencies responsible for administering Florida's business regulation processes. Each agency is responsible for issuing proper licenses and registrations for specific professions and occupations as well as ensuring the enforcement of licensing and registration throughout the state. Each agency also has systems in place for the reporting, investigation, and resolution of consumer complaints. Under the jurisdiction of DBPR and DACS, there are nearly two million licensed or registered businesses and/or professionals operating here in Florida.

Issue at a Glance

The Business and Consumer Affairs Subcommittee recently noticed two proposed committee bills (PCBs). PCB BCAS 11-01 proposes to repeal licensing and examination requirements and penalties for specified professions, occupations and businesses currently regulated by the state. PCB BCAS 11-02 proposes to reduce regulatory requirements for professions and businesses. The bills have since been passed favorably out of the Business and Consumer Affairs Subcommittee and the Economic Affairs Committee and are now named House Bill 5005 and House Bill 5007 respectively. Proponents have expressed the following reasons for the proposed legislation:

- Proponents state that excessive regulation has resulted in the restricting of healthy competition and the stifling of consumer choice.
- Proponents also believe the current regulatory framework has resulted in unnecessary burdens on those regulated and hindered employment opportunities.

What the Bills Do

House Bill 5005, Deregulation of Professions, proposes to repeal licensing and examination requirements as well as penalties for the following specialized professions, occupations and businesses currently regulated by the state:

- Athlete Agents
- Auctioneers
- Auctioneer Apprentices

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Quick Facts:

The Department of Business and Professional Regulation is currently responsible for licensing the following:

- Architecture
- Asbestos Consultants
- Athlete Agents
- Alcoholic Beverages and Tobacco
- Auctioneers
- Barbers
- Boxing
- Building Officials
- Building Code Inspectors
- Certified Public Accountants
- Community Association Managers
- Construction Industry
- Cosmetologists (including hair braiders, hair wrappers, body wrappers, and nail specialists)
- Electrical Contractors
- Employee Leasing
- Harbor Pilots
- Home Inspectors
- Interior Designers
- Landscape Architects
- Mold-related Services
- Pari-Mutuel Wagering
- Professional Geologists
- Restaurants and Lodging
- Real Estate
- Talent Agents
- Veterinarians

- Body Wrappers
- Business Opportunities
- Charitable Organizations
- Dance Studios
- Hair Braiders
- Hair Wrappers
- Health Studios
- Interior Designers
- Intrastate Movers
- Motor Vehicle Repair Shops
- Rooming Houses
- Sellers of Travel
- Talent Agents
- Telemarketing
- Yacht and Ship Brokers
- Water Vending Machines
- Television Tube Labeling
- Sales Representative Contracts

House Bill 5007, Reducing and Streamlining Regulations, proposes to reduce regulatory requirements for professions and businesses, and streamline regulatory functions. Among other things, HB 5007:

- Eliminates duplicate licensure requirements for Asbestos Consultants, Asbestos Contractors, and Architects sole proprietorships;
- Reduces the required continuing education requirements to reactivate an inactive license to only one cycle of hours required as opposed to fulfilling an amount equal to the hours required for all years the license was inactive;
- Decriminalizes many violations of professional boards' rules and administrative requirements that currently carry second degree misdemeanor fines and penalties;
- Allows a Certified Public Accountant licensed in another state with five years of experience in the field of public accountancy to become licensed in Florida if all applicable fees are paid regardless of the scope of the applicant's out of state course work;
- Transfers duplicative authority for regulation and enforcement of the Lemon Law from the Department of Agriculture and Consumer Services to the Department of Legal Affairs;
- Transfers duplicative authority for regulation and enforcement of Price Gouging to the Department of Legal Affairs;
- Provides an exemption for the direct sale of homemade foods, such as bake sale items, to consumers.

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The Department of
Agriculture and Consumer
Services Division of
Consumer Services has
responsibility for
regulating businesses
such as:

- Motor vehicle repair shops
- Charitable organizations
- Business opportunities
- Florida Do Not Call Program
- Dance studios
- Pawnbrokers
- Health studios
- Sellers of travel
- Intrastate movers
- Game promotions
- Telemarketing

Additional Resources:

<u>Department of Agriculture</u> and Consumer Services

Department of Business and Professional Regulation

Federal Trade Commission

<u>Attorney General</u> <u>Consumer Complaints</u>

Frequently Asked Questions: Business Deregulation

Will deregulating certain industries mean there will no longer be measures in place to protect public welfare and safety?

Proponents of this bill assert the public welfare and safety will not be impacted because many of the regulation and licensing requirements included in the bill for repeal are specifically regulated, investigated and enforced by entities other than the State of Florida including the Federal Trade Commission, local government and national associations.

Doesn't the state collect money through licensing and regulation fees? What will happen to that funding now?

The state agencies responsible for administering the regulatory processes do collect funding through licensing and registration fees, fines and penalties. These funds are deposited into the agency's trust fund. By reducing licensure and registration requirements, the collection of revenues by the state will be reduced. However, proponents assert the revenues lost to the state will be offset by the reduced cost to regulate these professions and businesses. Proponents also believe the positive impact on businesses from the relief of regulation will allow those businesses to expand, thus stimulating economic activity.

Proponents assert this bill will provide financial relief for nearly 106,000 professionals or businesses for a total cost savings to the private sector of almost \$13 million annually associated with fees required for licensure.

Why were the industries selected for deregulation picked instead of others?

In January of this year, the House Business and Consumer Affairs Subcommittee began an in-depth review of the state's regulated professions and businesses. Subcommittee members developed specific criteria in order to determine whether or not various professions, occupations, or businesses were indispensible to public safety or health. Members sought feedback from representatives of various professions in the form of public workshops. As a result of this feedback professions were added to or removed from the proposed legislation.

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